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INCOMING TELEGRAM

Department of State

44

CONFIDENTIAL Classification

Control: 12964

Action

Rec'd: OCTOBER 20, 1959

10:57 PM

NEA

FROM: KHORRAMSHAHR

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Info

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PRIORITY

NO: 19, OCTOBER 20, 3 PM

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ARMY NAVY

DHAHRAN FOR DLG.

DHAHRAN PRIORITY 5

PANAM OIL COMPANY HERE INFORMED THIS MORNING BY RADIO PHONE FROM TEHRAN THAT NIOC BOARD DECIDED TODAY THAT ALL PANAM SHIP MOVEMENTS IN SHATT AL ARAB SHOULD BE UNDER IRANIAN FLAG ONLY (IE NO IRAQI FLAG AT FORE) WITHOUT IRAQI PILOTS AND UNDER IRANIAN NAVAL ESCORT. PANAM INSTRUCTED HAVE NO FURTHER CONTACT WITH IRAQIS. ACCORDING PANAM IRAN FOREIGN OFFICE SAYS IT HAS SO INFORMED GOVERNMENT IRAQ. LSM NOW KHOSROWABAD TO MOVE DOWN RIVER 0800 LOCAL FRIDAY. PANAM REQUESTING ESCORT FROM IRANIAN NAVAL BASE KHORRAMSHAHR FOR LSM DOWNSTREAM AND TO MEET SECOND LSM AT OUTER BAR IN GULF AND ESCORT IT KHOSROWABAD. PANAM HAS CABLED NEW YORK OFFICE HOPING FOR INSTRUCTIONS BEFORE FRIDAY.

SENT PRIORITY TEHRAN 103; REPEATED INFORMATION DEPARTMENT 19.

LONDON PRIORITY 6, BASRA PRIORITY 11, BAGHDAD PRIORITY 13,

IN LAST OF SERIES OF PHONE CALLS AHMED SAAD OF BASRA PORT AUTHORITY TOLD CULLOM TRANAM THIS MORNING KHOSROWABAD CLOSED AND WHILE BPA PREPARED SUPPLY PILOT TAKE LSM TO SEA ALL FURTHER MOVEMENTS TO KHOSROWABAD MUST BE CLEARED FIRST WITH BPA. THIS COMPLETE REVERSAL IRAQI POSITION TELEPHONED CULLOM TWO DAYS AGO. ALL FURTHER COMMUNICATIONS BETWEEN BPA AND PANAM SHOULD BE VIA APPROPRIATE IRANIAN AUTHORITIES IN THIS CASE KHORRAMSHAHR PORT DIRECTOR.

DURING CONVERSATION WITH USN MAAG CO THIS MORNING ADMIRAL MAJLESSI COMMANDING SOUTHERN MIV DISTRICT AND KHORRAMSHAHR

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-2- 19, OCTOBER 20, 3 PM, FROM KHORRAMSHAHR

NAVAL BASE SAID IRAN NAVY HERE, ARMY AHWAZ AND IRAN AIR FORCE TEHRAN ALL HAD INSTRUCTIONS USE FORCE IF NECESSARY. WHEN ASKED HOW NAVAL ESCORTS COULD COPE WITH HIDDEN IRAQI ARTILLERY BATTERIES IN PALM BELT MAJLESSI REPLIED WOULD CALL ON AIRFORCE. ADMIRAL NOTED IRANIAN CAPABILITY CLOSE RIVER AND WHEN ASKED ABOUT POSSIBILITY IRAQIS MIGHT TRY SAME THING HE REMARKED CLOSING RIVER WOULD HARM IRAQ MORE THAN IRAN. RE VULNERABILITY ABADAN REFINERY MAJLESSI SAID IRAN NEEDS NEW REFINERIES ANYWAY.

ACCORDING CO US ARMY MAAG TEAM AHWAZ NOW HERE NO IRAN ARMY DEPLOYMENTS THIS DIRECTION. CO NAVY MAAG TEAM REPORTS NO UNUSUAL ACTIVITY OR PREPARATIONS KHORRAMSHAHR NAVAL BASE. MAAG SOURCES SHOULD BE PROTECTED.

ACTING BRITISH CONSUL AND HAMLIN SENIOR AMERICAN LORG INFORMED.

NO RECENT INFORMATION RECEIVED RE IRAQI MILITARY DISPOSITIONS BUT WITH PAVED ROAD BEHIND RIVER SIDE PALM BELT THERE IS POTENTIAL IRAQI MILITARY CONTROL OF SHATT.

COMMENT: IN ADDITION VULNERABILITY REFINERY, TANKERS ON TIVERO AND KHORRAMSHAHR PORT, ABADAN AIRPORT DEPENDENT ON USE IRAQI AIR SPACE BY ALL PLANES EXCEPT DOVES FOR EITHER TAKE-OFF OR LANDING. AIRPORT NOW SERVICES IRAN AIR, BOAC, SAS, KLM, KUWAIT AIR.

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